Indian Airlines decided to call GIAL team to India to discuss the issue regarding delivery of the aircraft.

*GIAL team finally came to India on 27th April, 2001. The discussions continued till 17th May, 2001 but when no results were forthcoming it was decided by Indian Airlines that in view of GIAL's inability to deliver the aircraft, the best course of action would be to terminate the Lease Agreements. The Lease Agreements were finally terminated on 21st May, 2001.

*Indian Airlines is taking necessary steps in consultation with the Legal Advisors regarding the due claim against the party, in accordance with the provisions of the Lease Agreements, for nondelivery of leased aircraft.

Fresh Bids for Acquiring of Planes

952. SHRI GHULAM NABI AZAD: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether it is a fact that Government have initiated any negotiations with GIA, the leasing agent for leasing of five Boeing 737 aircrafts;

(b) if so, since when the negotiations have been going on and the reasons for delay in coming to any decision;

(c) whether Government have also invited fresh bids for acquiring more planes on lease;

(d) if so, the number of fresh bids received and whether these have been processed; and

(e) if so, decision taken and rent being paid for leasing of the aircrafts?

THE MINISTER OF CIVIL AVIATION (SHRI SHARAD YADAV): (a) and (b) After approval of the Board of Directors, Indian Airlines executed a Letter of Intent for lease of 5 B-737-200 aircraft in September, 2000 with M/s. GIA International Ltd. (GIAL). The contract for lease of these aircraft was finalized in consultation with their legal advisor and was executed in December* 2000. As per the contract, all the aircraft were to be delivered by the end of January, 2001. Despite continuous pursuing no aircraft was

delivered till the end of January, 2001 and GIAL communicated that non-performance of financing arrangement led to failure in meeting the schedule of deliveries. M/s. GIAL, however, assured that alternative financing arrangement was in place and expected to deliver the aircraft.

M/s. GIAL continued to provide revised delivery schedule during the month of March, 2001. Indian Airlines called M/s. GIAL to . come to India. Representatives of M/s. GIAL came for discussions on 27th April, 2001 and repeatedly assured about the delivery of aircraft to Indian Airlines. M/s. GIAL was unable to provide even documentary evidence of possession/ownership of aircraft and left the country on 17th May, 2001. Indian Airlines, thereafter, issued notice for termination of the agreement on 21st May, 2001.

(c) to (e) Indian Airlines invited bids for dry lease of four A-320 aircraft to meet its short term capacity requirement. The bids were opened on 29th June, 2001. In response, four offers were received. These offers are being examined by an In-house Committee.

An advertisement for Global tender inviting bids for lease-in of 6 ATR 42-500 aircraft has also been issued on 2nd July, 2001 by Alliance Air. The last date for receipt of responses to the request for proposal is 31st July, 2001.

Export-Import Policy

953. SHRI H.K. JAVARE GOWDA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that due to the present Export Import Policy, India will be a place for dumping ground; and

(b) if so, the details of strategy evolved to overhaul export incentives?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI MURASOLI MARAN): (a) and (b) The present five year Export and Import Policy was announced on 31.03.1997. India's export growth rate during 1997-98 was 9.5% during 1998-99 was 7.4%, during 1999-2000 was 14.17% and was 26.39% in 2000-2001 (in rupee terms). Similarly, the growth rate of imports during this period was 11% in 1997-98, 14.2% in 1998-99, 13.6% in 1999-2000 and 5.59% in